State of Delaware

Office of Management and Budget, Statewide Benefits Office

146th General Assembly, House Bill 81

Frequently Asked Questions (FAQs) regarding Double State Share Changes

House Bill 81, "An Act to Amend Title 29 of the Delaware Code Relating to the Public Officers and Employees Health Care Insurance Program and State Employees Pension Plan," provides for changes to health care provisions, including the number of years required to work to receive State Share upon retirement for health care, the calculation of employee share of the monthly health care premium and the elimination of Double State Share. The FAQs below reflect the impact of this legislation relative to Double State Share.

1. **If an employee is hired into a benefit eligible position prior to January 1, 2012, but is not eligible to receive State Share until three full months of employment are satisfied, and is married to another benefit eligible State employee or pensioner prior to January 1, 2012, will this employee and spouse qualify to receive Double State Share (DSS) upon completion of waiting period?**

   Yes, because both were in benefit eligible positions prior to January 1, 2012. They can be enrolled in a DSS plan the first of the month after completion of the three full months of employment.

2. **If two benefit eligible employees and/or pensioners marry after January 1, 2012 will they receive Double State Share (DSS)?**

   No. Only those individuals who are benefit eligible employees and/or pensioners prior to January 1, 2012 and married prior to January 1, 2012 will be eligible to receive DSS.

3. **May employees and/or pensioners joined by a civil union receive DSS?**

   No. Civil unions are recognized by the State of Delaware effective January 1, 2012. Only individuals who are benefit eligible employees and/or pensioners prior to January 1, 2012 and whose marriage is recognized by Delaware law prior to January 1, 2012 will be eligible to receive DSS.

4. **Will an employee hired into a non-benefit eligible position prior to January 1, 2012 and married to another benefit eligible employee or pensioner be eligible to receive DSS if a transfer to a benefit eligible position occurs on or after January 1, 2012?**

   No. Both individuals must either work in a benefit eligible position and/or be a benefit eligible pensioner prior to January 1, 2012 and married prior to January 1, 2012 to be eligible to receive DSS.

5. **Is an employee hired into a benefit eligible position after January 1, 2012 eligible for DSS if the employee is married to another benefit eligible employee or pensioner prior to January 1, 2012?**

   No. An employee hired into a benefit eligible position on or after January 1, 2012 is not eligible to receive DSS.

6. **If an employee and spouse are eligible to receive DSS after January 1, 2012 and both individuals are either actively employed in a benefit eligible position and/or a pensioner in the State Employee Pension Plan (SEPP), will the individuals continue to be eligible for DSS upon one or both of their retirements from state employment?**

   Yes. As long as both individuals remain either working in a benefit eligible position and/or are a benefit eligible pensioner in the State Employee Pension Plan (SEPP) and continue to be married to one another, both individuals will continue to be eligible for DSS.

7. **Will employees receiving DSS as of December 31, 2011, be responsible for a cost after July 1, 2012?**

   Yes. Employees receiving DSS as of December 31, 2011, must pay $25 per month per contract effective July 1, 2012. If both employees are on one contract, the charge will be $25 per month. If each employee has a separate contract, then each employee will be charged $25 per month.

   For example: Mary and John, state employees in benefit eligible positions, are married to each other, have employee and spouse or family coverage via one contract. The one who carries the coverage will pay $25 per month effective July 1, 2012.

   Susan and George, state employees in benefit eligible positions and married, have separate contracts. Susan has employee only and George has employee only or employee and children, so Susan will pay $25 per month and George will pay $25 per month because two contacts are in place. However, if Susan and George enroll in one contract as employee and spouse or family during Open Enrollment, then one $25 per month fee would be paid by the one who carries the coverage. The employee whose birthday is the first in the calendar year should carry the coverage

8. **Will pensioners receiving DSS as of December 31, 2011, be responsible for a cost after July 1, 2012?**

   Yes, pensioners receiving DSS as of December 31, 2011, will be charged $25 per month per contract as follows after July 1, 2012:

   - If you and your spouse are not Medicare eligible and have chosen to be enrolled in separate non-Medicare contracts, you will both be charged $25 per month (or the applicable employee only premium if enrolled in the First State Basic Plan with employee only coverage as the premium is less than $25 per month). To avoid two monthly charges, you and your spouse may change your enrollment to an employee and spouse, or family contract, during open enrollment and only one $25 per month charge will apply.
   - If you and your spouse are enrolled in separate contracts as one of you is not Medicare eligible and enrolled in a non-Medicare health plan, and one of you is Medicare eligible and enrolled in the Special Medicfill Medicare Supplement plan, you will only be charged $25 per month on the non-Medicare health plan.
   - If you and your spouse are enrolled in separate contracts and are both Medicare eligible and enrolled in the Special Medicfill Medicare Supplement plan, you will not be charged if retired before July 1, 2012.

   Go to http://www.delawarepensions.com/includes/Pensioner_Health_Care_Scenarios.pdf to review *Health Care Coverage Changes for Pensioners Effective July 1, 2012 as per House Bill 81*

9. **When an employee enrolled in a DSS plan is charged the $25 per month fee, is this taken on a pre-tax or after-tax basis for state and federal taxes?**

   When an employee pays the $25 per month fee, it is taken on a pre-tax basis for both state and federal taxes. Benefit deductions for pensioners are taken on an after tax basis in accordance with Internal Revenue Service regulations.

10. **If an employee, receiving DSS prior to December 31, 2011, resigns or goes on unpaid leave, when the employee returns from unpaid leave or to a benefit eligible State position after January 1, 2012, is the employee eligible to receive DSS upon his/her return to active paid employment?**

    Yes. Upon the employee's return to active paid status in a benefit eligible position, DSS shall be reinstated provided the employee is married to the same spouse, who is also a benefit eligible State employee or pensioner at the time of the return to active paid State service.

11. **If two benefit eligible pensioners who are married and receive DSS and one spouse becomes deceased, does the surviving spouse continue to receive the benefit of DSS?**
    Yes. The surviving spouse will continue to receive DSS. If the surviving spouse re-marries, he/she can keep DSS unless the surviving spouse wishes to cover the new spouse, then the surviving spouse will not receive DSS and will be charged the applicable employee/pensioner amount for the health plan he/she enrolls in with the spouse. The loss of DSS will be permanent and cannot be reinstated even if the new spouse is later disenrolled from the health plan.

12. **If two benefit eligible employees are married and receive DSS and one spouse becomes deceased, will the surviving benefit eligible employee continue to receive the benefits of DSS?**
    Yes. The surviving spouse will receive a survivor's pension and will continue to receive DSS. If the surviving spouse who is an active employee re-marries, he/she can keep DSS unless the surviving spouse wishes to cover the new spouse, then the surviving spouse will not receive DSS and will be charged the applicable employee/pensioner amount for the health plan he/she enrolls in with the spouse. The loss of DSS will be permanent and cannot be reinstated even if the new spouse is later disenrolled from the health plan.

13. **If two benefit eligible employees are married and receive DSS, but only one is pension eligible and the pension eligible employee becomes deceased does the surviving employee receive DSS?**
    Yes. The surviving spouse will continue to receive DSS. If the surviving spouse who is an active employee re-marries, he/she can keep DSS unless the surviving spouse wishes to cover the new spouse, then the surviving spouse will not receive DSS and will be charged the applicable employee/pensioner amount for the health plan he/she enrolls in with the spouse. The loss of DSS will be permanent and cannot be reinstated even if the new spouse is later disenrolled from the health plan.

14. **If two benefit eligible employees are married and receive DSS, but only one is pension eligible and the non-pension eligible employee becomes deceased does the surviving employee receive DSS?**
    No. The surviving spouse would not receive DSS.

15. **If an active employee currently receiving DSS retires, will the Pension Office know that employee is enrolled in DSS which should continue into retirement?**

The Pension Office may not be aware that the employee is receiving DSS at the time of retirement. To ensure that the Pension Office is aware of DSS eligibility and to avoid being charged incorrectly for health coverage, be sure to clearly write DSS or Double State Share on the top of the health application prior to submitting it to the Pension Office.

NOTE: Information on each benefit program, Open Enrollment, and the Eligibility and Enrollment Rules are available at **http://ben.omb.delaware.gov.**

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